

2300 N STREET, NW SUITE 700 WASHINGTON, DC 20037 TEL 202.783.4141 FAX 202.783.5851 WWW.wbklaw.com

February 3, 2003

Ms. Marlene H. Dortch Secretary, Federal Communications Commission 445 12th Street, S.W. Washington, DC 20554

Re: Miscellaneous Proceedings Concerning Advanced Telecommunications Capability -- CC Docket Nos. 98-147, 01-338 and 02-33

Ex parte presentation pursuant to C.F.R. §1.1206(a)(1)

Dear Ms. Dortch:

Catena Networks, Inc. ("Catena") met last Friday, January 31st, with Matthew Brill of Commissioner Abernathy's staff. Representing Catena were Doug Cooper and myself. During the meeting, Catena reiterated how important it is for Catena and the other telecommunications manufacturers that the Commission adopt rules in the broadband proceedings that will not create disincentives for the incumbent carriers to deploy new packet-based technologies. Catena indicated that it fully supports the position of the High Tech Broadband Coalition, which has urged the Commission to avoid the imposition of unbundling and TELRIC pricing obligations on the incumbent carriers for any newly-deployed packet-based technologies.

Catena expressed its concern that requiring the incumbent carriers to unbundle broadband packet-based services would have the effect of halting most DSL deployment, thereby significantly harming the telecommunications manufacturing sector, which is already reeling from the meltdown in the telecommunications sector. Without an incentive to continue the deployment of current high speed services, there would be no manufacturing base to produce the next generation of high speed services down the road. Moreover, for many rural and suburban customers served by remote terminals, such as the 20 million subscribers served by the legacy SLC-5 remote terminals, the inability of incumbent carriers to upgrade those facilities using integrated line cards developed by Catena (because of the unbundling disincentives) would result in, at best, significant delays in their obtaining broadband access, if such access arrives at all. Moreover, there will be no "intramodal" competition if the incumbent carriers are disincented to deploy



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packet-based technologies, so that there would be no countervailing public interest benefits from the contemplated unbundling of packet-based services.

Catena thus renewed its call for the FCC to act promptly and to adopt national policies that will eliminate the current disincentives to investment by the facilities based providers in broadband technologies, and certainly not create any new disincentives. Please contact the undersigned if you have any questions with regard to this submission.

Respectfully submitted,

/s/ Stephen L. Goodman Counsel for Catena